



# FOREIGN POLICY BULLETIN

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## ALLIES SEEK TO END PRO-AXIS TIES OF FINNS AND CHETNIKS

AS the Red Army continues the offensive it began in White Russia on June 23—counterbalancing in the east the Allies' invasion of Europe from the west—another portion of the Anglo-American-Soviet strategy planned at Teheran last December is being carried into effect. Meanwhile, on the diplomatic front, the United States and Britain are waging political warfare alongside the U.S.S.R. against Finland and the Mikhailovitch faction in Yugoslavia on the assumption that no nation or group cooperating with Germany, regardless of its motives, can avoid falling into the enemy camp.

**LOCAL WARS RULED OUT.** The Finnish government has always contended that its present war with Russia is a strictly local struggle against an age-old enemy, and that Finland entered into military cooperation with Germany for purely defensive purposes entirely unconnected with the conflict between the Axis and the Allies. This thesis, however, proved unacceptable to Britain toward the end of 1941, and it has become increasingly unsatisfactory to the United States during the past two years. Yet the United States has hesitated to break off relations with Finland because of this country's old friendship with the pre-war Finnish democracy, and the State Department has tried instead to treat Finland as a special case. The success of this effort depended, however, on the possibility that the Finnish war could be isolated from the Allied struggle against the Nazis—and this no longer proved feasible after the breakdown of Russo-Finnish peace negotiations.

One of the important indications that the Finnish war overlapped with our war against Germany appeared in 1942, when the Department of Justice discovered that the Finnish information center in New York City was dispensing pro-Nazi and anti-Russian information strikingly similar to that heard over the Berlin radio. An order was given to close the office, and at the same time the travel and publicity privileges

of members of the Finnish legation in Washington were curtailed. Then, as German submarines and planes based on Petsamo attacked lend-lease cargoes bound for Murmansk, and as Nazi divisions in Finland hindered full-scale Russian attacks on the eastern front, the local and world wars became inextricably linked. When, therefore, the U.S.S.R. offered definite armistice terms to Finland in the spring of 1944, the State Department joined with Russia in urging the Finnish government to get out of the war. Although Washington realized that the reparations figure of six hundred million dollars named by Moscow was enormous for a country of less than four million people, it believed that, once Finland accepted the principle of reparation, the Helsinki government—with American aid—might be able to whittle down the Russian bill.

When the Finns refused to accept the Russian terms and reports circulated in the Finnish press that relations between the United States and Russia were so strained that the State Department was on the verge of breaking with the U.S.S.R., Washington experienced increasing difficulties in reconciling its special policy toward Finland with its need for Allied solidarity against Germany. Accordingly, on June 3, Washington put additional pressure on Finland to accept an armistice by blacklisting Finnish business firms with connections in the United States, and officially referring on June 10 to the Finnish government's censorship of a pro-Allied newspaper as indicative of its "pro-German sympathies." The climax of the State Department's refusal to countenance anti-Russian activities in the present decisive phase of the war against Germany was reached when Minister Procope was handed his passport on June 16 for actions "inimical" to the interests of the United States.

Although the armistice proposals reportedly made by Russia on June 20 appear to be essentially the

same as those presented three months ago, the two main obstacles in the way of a Russo-Finnish agreement persist. One of these obstacles consists of the pro-Nazi sympathies of some members of the present Finnish government headed by President Ryti and Germany's pressure on Finland to remain in the war. Assuming this difficulty could be overcome by a German withdrawal, however, there would still remain a second difficulty: the Finns' widespread and centuries-old fear of Russian expansion, which might be overcome if Moscow were to give the Finns concrete assurances that it will adopt a good-neighbor policy in the post-war period.

**YUGOSLAV IMPASSE BROKEN.** Allied diplomacy has proved more successful in conciliating the opposing sides in Yugoslavia than it has been in bringing the Finns and Russians together. According to an announcement made by Marshal Tito on June 18, a compromise has been reached by the Partisans and King Peter's new Premier, Ivan Subasitch, ending the impasse which has existed between the two sides for two and a half years. Although the agreement is reported to involve such important provisions as the creation of a new cabinet-in-exile including Partisan members and the holding of a post-war election to determine whether or not the people of Yugoslavia want a monarchy, its single most significant condition is that General Mikhailovitch will no longer be a member of King Peter's regime. The Chetnik leader symbolized the pro-Serb character of previous Yugoslav governments-in-exile, since his military organization is almost exclusively Serbian

in membership and he personally favors a greater Serbia rather than a united South-Slav state. The main reason he has been dropped from his position as Minister of War, however, is due not to the nature of his political views and the relatively small size of his forces, but to the fact that the Chetniks have cooperated with the Nazis.

Adjustment of the Yugoslav problem—one of the most complicated and seemingly hopeless European tangles—has been achieved on the basis of far-reaching concessions that would have seemed unlikely even a few weeks ago. On the one hand, King Peter completely abandoned his former pro-Serb and anti-Partisan political leaders on May 20 and named as Premier on June 1 Subasitch, a Croat who has praised Tito. On the other hand, Tito has apparently retracted his demand—repeated as recently as April 30—for Allied recognition of his Committee of National Liberation as the government of Yugoslavia and temporarily accepted King Peter, pending a post-war plebiscite on the nation's form of government. Although Premier Subasitch and the Partisans had well-matched bargaining power based on the former's control of Yugoslav ships and gold and the latter's large armed force and widespread, *de facto* authority in Yugoslavia, the strong desire of all three major Allies to speed victory by eliminating the pro-Axis Mikhailovitch was an important factor in effecting reconciliation between King Peter and Tito.

WINIFRED N. HADSEL

## WALLACE OUTLINES BASIS FOR POST-WAR HARMONY IN FAR EAST

Vice-President Wallace's trip to Siberia and China has been one of the most underplayed news events of this dramatic year. In the past month Mr. Wallace has visited the chief industrial cities of Siberia and has held discussions with Generalissimo Chiang Kai-shek and other leading Chinese officials. He has not only had an opportunity to gain first-hand knowledge of areas which can be of great importance in the defeat of Japan, but his conversations in Chungking (and possibly in Russia) may well have involved the threshing out of definite questions rather than a mere exchange of opinions.

**OBJECTIVES OF THE TRIP.** Concretely, in the words of a joint Chinese-American press release of June 24, it was agreed that quick and efficient prosecution of the war against Japan "is fundamental in Chinese-American relations" and requires "mutual assistance in every possible way." Previously, the Vice-President had voiced his expectation that the next twelve months "will be the final year of Japanese aggression in China." Concerning the problems of peace in the Pacific, three essential conditions were set forth in the release: (1) "effective perma-

nent demilitarization of Japan"; (2) friendly collaboration of China, the Soviet Union, United States, British Commonwealth and other United Nations; and (3) "recognition of the fundamental right of presently dependent Asiatic peoples to self-government, and the early adoption of measures in the political, economic and social fields to prepare those dependent peoples for self-government within a specified practical time limit." The last point probably represents the clearest statement yet made by a high American official on the importance attached by public opinion in this country to the ultimate independence of colonial Asia. It is noteworthy that it has been couched in moderate terms, so as not to offend the colony-holding nations among our allies, while expressing in straightforward fashion the interest of the United States in the development of a free Asia.\*

**BRINGING CHUNGKING AND MOSCOW TOGETHER.** Perhaps the most striking aspect of the Vice-President's published activities has been his

\*Many of the views expressed by Mr. Wallace in China and Siberia have been developed at greater length in his recent pamphlet, *Our Job in the Pacific* (New York, Institute of Pacific Relations, 25c.).

emphasis on the need for friendly relations between China and the Soviet Union. On arriving in Chungking on June 20 he issued a prepared statement expressing the belief that the Chinese-Siberian boundary, like that between the United States and Canada, would be one of friendship, not separation. Four days later the joint press release declared that the continuance of American-Chinese friendship and the "maintenance of relations on a basis of mutual understanding between China and the Soviet Union—China's nearest great neighbor" are essential for peace. The release added significantly: "No balance of power arrangement would serve the ends of peace."

This declaration expresses the self-interest of both China and the United States in avoiding a situation in which unsatisfactory Chinese-Russian relations would result in antagonism between Moscow and Washington. The danger of such a development is closely linked with China's domestic politics, for if the existing sharp differences between Chungking and the Chinese Communists should be projected into the post-war period, the leading powers might well find themselves aligned on opposite sides. In that event, the structure of United Nations cooperation built up so laboriously in the course of the war would be gravely threatened. This explains Washington's urgent desire to promote more friendly relations between China and Russia than have existed in the recent past, especially since the willingness of the Russians to make war supplies available to Chungking on a large scale after the defeat of Germany may be determined by their estimate of the future course of the Chinese government.

**ISSUE OF POLITICAL AGREEMENT.** That Mr. Wallace explored the current political situation with China's leaders is suggested by the emphasis in the joint press release on China's intention to establish democratic, constitutional government after the war. Moreover, Mr. Wallace's visit apparently occurred at a time when political discussions between the Central government and the Communists were going on in the Chinese capital. It is by no means impossible that the Chinese conferees, concerning whose activities there have been no press reports since May 24, will be influenced in their decisions by the nature of the Vice-President's mission.

On this, as on many other points, it is still too early to assess the results of his journey. But his statement of American political aims in Asia comes at a time when military progress in the Pacific and military difficulties in China require increased attention to long-term Far Eastern issues. This is all the more true because the end of the war in the West will make eastern Asia and the adjacent waters our primary war front. Mr. Wallace's emphasis on close relations among the United States, China, Russia and the British Commonwealth, his desire to bring Moscow and Chungking into greater harmony, his encouragement of democratic tendencies within China, and his expression of interest in the independence of colonial Asia all represent essential aspects of this country's future policy in the East. At the same time Americans must not forget that, if these aims are to be realized, the United States will have to accept its full share of international responsibility. Failing this, any declaration of policy will be as worthless as an overdrawn check.

LAWRENCE K. ROSINGER

## THE F.P.A. BOOKSHELF

*How New Will the Better World Be?* by Carl L. Becker. New York, Knopf, 1944. \$2.50

A distinguished American historian discards Utopian plans for world federation and contends that post-war cooperation among nations will have to be determined in large part by the old forces of nationalism, power politics and imperialism.

*Unfinished Business*, by Stephen Bonsal. New York, Doubleday, 1944. \$3.00

A personal record of the peace conference of 1919 by the man who served President Wilson and Colonel House as their interpreter. Important not only as an historical source but as a commentary on international problems the Allies are again facing.

*Four Years: A Chronicle of the War by Months, September 1939-September 1943*, by Adrian Van Sinderen. New York, Coward-McCann, 1944. \$2.75

One of the very useful chronological guides.

*Twentieth Century India*, by Kate Mitchell and Kumar Goshal. Institute of Pacific Relations (New York) and Webster Publishing Co. (St. Louis, Dallas and Los Angeles), 1944. 40 cents.

An admirable introduction to India in pamphlet form. The authors have touched the high spots of their subject simply and objectively.

*Japan: A Short Cultural History*, by G. B. Sansom. New York, Appleton-Century, 1943. \$5.00

A slightly revised edition of an indispensable work that has been out of print for some time. The author, now Minister Advisory on Far Eastern Affairs at the British Embassy in Washington, is distinguished for the felicity of his style and the scientific, objective nature of his treatment.

*White Smoke over the Vatican*, by Don Sharkey. Milwaukee, Bruce Publishing Company, 1944. \$2.00

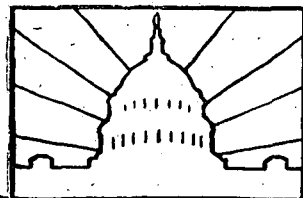
Accurate background information on the government, history, and physical aspects of the Vatican.

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# Washington News Letter



## U.S. PRESSES FOR AID TO REFUGEES

While the Nazis struggle to defend their European stronghold against the United Nations liberators, they continue to persecute Jews and political prisoners within that stronghold. The Swiss newspaper *Neue Zuercher Zeitung* reported on June 17 that German occupation authorities have established at Kistarcsa, Hungary, a new concentration camp nicknamed "the Hungarian Dachau." The camp, according to the newspaper, is reserved for the internment of political prisoners (among them pro-Allied Italian officers), who are regarded as hostages "to be shot in the event of sabotage."

In other parts of Hungary the "lives of almost 1,000,000 Jews hang in the balance," Chairman Sol Bloom of the House Foreign Affairs Committee told Congress on behalf of the Committee on June 21. The following day Mr. Bloom introduced a resolution in the House criticizing Hungarian official anti-Semitism, which has taken extreme forms during the past two months. On May 2 the Hungarian European Service broadcast the news (in German) that "in towns in Hungary and in the towns in the vicinity of Budapest the Jews have already been housed in ghettos or will be shortly." The broadcast added that "the Jewish quarter in Ujpest will be set up among the factories." One reason for locating the Jews near factories, apparently, is to subject them to the risks of Allied bombing raids.

**U.S. REFUGEE POLICY HAMPERED.** Although it is doubtful that many will escape, the Hungarian Jews and the prisoners in Kistarcsa are a special concern of the United States because they are potential refugees. President Roosevelt's executive order of January 22 creating the War Refugee Board stated that the United States government's policy is "to take all measures within its power to rescue the victims of enemy oppression who are in imminent danger of death and otherwise to afford all possible relief and assistance consistent with the successful prosecution of the war."

Despite a considerable measure of success in its work, serious problems confront the War Refugee Board in carrying out the policy outlined by the President. For instance, although our Ambassador, Laurence A. Steinhardt, has prevailed on the Turkish government to admit refugees who arrive illegally by ship from Rumania en route to Palestine, the Turks decline to admit those who flee across the Turkish-Bulgarian land frontier, and Mr. Bloom on June 23 introduced a resolution in Congress asking

Secretary of State Hull to press Turkey for fuller cooperation.

Indicating dissatisfaction with the policy of Spain respecting refugees, Representative Celler, Democrat, of New York, issued a statement on June 21 blaming, not the Spanish government, but American Ambassador Carlton J. H. Hayes whose recall he advocated. The Spanish government has granted passports to many Sephardic Jews scattered over Europe and has admitted many Frenchmen and stateless persons from France. But it has followed the policy that refugees within Spain should be moved out before others are admitted. Mr. Celler said that Spain might adopt the policy of some other neutrals, notably Sweden and Switzerland, and set up a "free port" for refugees if the Ambassador "would so much as approach the Spanish government."

**UNRRA CAMPS IN MIDDLE EAST.** During their conference at Casablanca in January 1943, President Roosevelt and Prime Minister Churchill, in company with the French National Committee, agreed to the establishment of a camp for refugees fleeing Europe by way of Spain. The camp, situated at Casablanca and named for Marshal Lyautey, is ready to function. It will be operated by the United Nations Relief and Rehabilitation Administration, which on May 1 took over from the Middle East Relief and Refugee Administration the operation of six other refugee centers housing approximately 40,500 Greek and Yugoslav refugees. Their population is expected soon to increase greatly, for 9,000 refugees are leaving the coastal and island areas of Greece and Yugoslavia every month. There are also 100,000 Polish refugees in the Middle East. The Middle Eastern centers administered by UNRRA are at Moses Well, El Shatt, El Khatatba, and Tolumbat in Egypt; Nuseirat in Palestine; and Aleppo in Syria.

By its decision to establish an Emergency Refugee Shelter at Fort Ontario, near Oswego, New York, the United States government has assured asylum for many more refugees than the 1,000 who, according to President Roosevelt's statement to Congress of June 12, will be accommodated there. Some of the other countries which are in a position to care for refugees have indicated they would give asylum if we would. The leadership assumed by the United States, therefore, greatly improves the prospects of our obtaining cooperation from friendly governments in rescuing oppressed persons in the Nazi-controlled portions of Europe.

BLAIR BOLLES

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